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Item 5 of the provisional agenda
Methodological guidance for activities relating to reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries

Views on the issues referred to in decision 1/CP.18, paragraph 40

Submissions from Parties and admitted observer organizations

Addendum

1. In addition to the 10 submissions from Parties contained in document FCCC/SBSTA/2014/MISC.4, one further submission was received on 14 May 2014.

2. In accordance with the procedure for miscellaneous documents, this submission is attached and reproduced* in the language in which it was received and without formal editing.[1]

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* This submission has been electronically imported in order to make it available on electronic systems, including the World Wide Web. The secretariat has made every effort to ensure the correct reproduction of the text as submitted.

[1] Also available at <http://unfccc.int/5900.php>.

Submission from Norway

May 2014

Submission on Methodological Guidance for REDD (SBSTA) – Non-Carbon Benefits

Introduction

Norway appreciates this opportunity to submit its views on methodological issues related to non-carbon benefits resulting from the implementation of activities referred to in decision 1/CP.16, paragraph 70, as mandated in decision 1/CP.18, paragraph 40. The Norwegian International Climate and Forest Initiative (NICFI) has since its launch in 2008 been guided by the fundamental axiom that REDD+ must contribute to wider sustainable development efforts if it is to succeed in reducing deforestation and forest degradation over time. We have further observed that REDD+, if implemented in a sound way, can have significant positive social, environmental and governance impacts, benefiting indigenous peoples, local communities and the wider population of developing countries. Norway has therefore been a strong advocate for the inclusion of environmental, social and governance safeguards, and related information systems, for REDD+ in the UNFCCC negotiations and in multilateral REDD+ programmes. We highly encourage additional country efforts to enhance the developmental benefits of REDD+, but believe that the extent to which these efforts are monitored and reported should be determined by each country, according to their needs.

Delineating non-carbon benefits

Given the wide variety of national circumstances in which REDD+ implementation takes place it is doubtful whether it is desirable under the UNFCCC to provide an exhaustive definition of the non-carbon benefits resulting from REDD+ implementation. However, the general description of the term provided by the FCPF Carbon Fund in its methodological framework is a useful basis for a discussion of non-carbon benefits: "may include, but not be limited to the improvement of local livelihoods, building of transparent and effective forest governance structures, making progress on securing land tenure, and enhancing or maintaining biodiversity and/or other ecosystem services."

Countries could, on a voluntary basis, and as a part of a transparent and participative REDD+ strategy development process, analyze potential non-carbon benefits arising from REDD+ implementation. They could further identify those co-benefits with the highest potential and prioritize them in the design of interventions. This would ensure that the non-carbon benefits selected are those that are most relevant to the REDD+ effort in a given country.

Measuring and reporting non-carbon benefits

Given the wide variety of non-carbon benefits between countries, and possible differences in importance attached to each benefit, it may prove difficult to develop standardized indicators for non-carbon benefits under the UNFCCC that are scalable and comparable across countries.

Countries could instead, on a voluntary basis and as part of a transparent and participative process, develop their own methods to collect and provide information on prioritized non-carbon benefits, building on relevant indicators from other international fora, in particular the Convention

on Biological Diversity. Such information could be collected through National Forest Monitoring Systems and be provided as part of the summary of information from the Safeguards Information Systems (SIS) or through other channels.

Incentivizing non-carbon benefits

A key methodological challenge related to non-carbon benefits is that of attribution. Reduced deforestation and forest degradation is the consequence of a number of different activities and processes. It is difficult to attribute changes in deforestation and forest degradation directly to enhanced levels of non-carbon benefits. The resulting changes in emission trends are much more easily estimated by combining activity data (i.e. based on remote-sensing imagery) with emission factor data. Under the UNFCCC it therefore makes sense to pay directly for reduced emissions, the ultimate goal of REDD+. However, this does not prevent tropical forest countries from including payment for ecosystem services as a domestic strategy to bolster REDD+ implementation efforts.

Another challenge related to payments for non-carbon benefits is the potential negative impact of introducing multiple result indicators to measure performance on REDD+. Experience with results-based aid in other sectors has shown that increasing the number of objectives for a given program generally decreases its success in achieving each of these objectives. Making REDD+ payments contingent on performance on multiple non-carbon benefits, in addition to meeting compulsory safeguards requirement, may divert efforts away from actions that are directly linked to reducing deforestation levels. It is possible that such an approach would lead to attention being shifted away from necessary political reforms that could reduce overall deforestation levels towards implementing methodologically complex, small-scale projects. These efforts would have a lower overall impact over time, both in terms of reducing emissions and, importantly, of generating the associated non-carbon benefits.

Payments for emission reductions thus have the biggest chance to be scaled up and deliver increased environmental, social and governance co-benefits, compared to multiple-objective interventions of more limited size. The best way to incentivize social and environmental co-benefits is therefore to create a scalable REDD+ incentive structure that pays for emission reductions that are generated within a framework of robust environmental, social and governance safeguards. By making results-based payments conditional upon adressing and reporting on REDD+ safeguards, as mandated by the Warsaw framework on REDD+, access to funding will itself become an incentive for promoting non-carbon benefits. In order to demonstrate compliance and receive payments for emission reductions all countries should include a core set of information on how safeguards have been addressed and respected.

Ultimately, the main reason for countries to strive for non-carbon benefits is their own self-interest, as they can bring numerous benefits to the country and its inhabitants. It is therefore primarily a national responsibility to implement REDD+ in a way that maximises positive environmental, social and governance co-benefits. Countries implementing REDD+ should design strategies that enhance the non-carbon benefits they have prioritized as part of a transparent and consultative process. As long as countries can document that emission reductions have been

generated in a way that "does no harm" – through the systematic implementation and reporting of safeguards – they should be free to decide how results are best achieved and how payments received are best spent.